

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NORTH CAROLINA
WESTERN DIVISION**

File No. _____

**SPURTREE TECHNOLOGIES PRVT.,
LTD.,**

Plaintiff,

v.

**iCOOL TECHNOLOGIES, INC. and JAY
PRAKASH MADAN,**

Defendants.

COMPLAINT

Plaintiff, complaining of Defendants, alleges as follows:

PARTIES, JURISDICTION, AND VENUE

1. Plaintiff SpurTree Technologies Pvt., Ltd. (“SpurTree”) is a company organized and existing under the laws of India. It is headquartered at No. 419, 7th Cross, Domulur Layout, Bangalore, Karmataka, India.

2. Defendant iCool Technologies, Inc. (“iCool”) is a North Carolina corporation authorized and existing under the laws of the State of North Carolina with a principle place of business in Wake County, North Carolina.

3. Defendant Jay Prakash Madan is a resident of Wake County, North Carolina, and he is the President of iCool.

4. This Court has original jurisdiction over this matter pursuant to 28 U.S.C. § 1332(a) in that Defendants are citizens of a State and Plaintiff is a citizen of a foreign state, and the amount in controversy, exclusive of interest and costs, exceeds the sum of \$75,000.00.

5. Venue is proper in this Court because the Defendants are present in this jurisdiction.

FACTS

6. On November 7, 2013, for valuable consideration, Defendants executed and delivered to SpurTree a promissory note (the “Note”) in the principal amount of four hundred fifty thousand dollars (\$450,000.00) to be paid in accordance with the following schedule, with a five-day grace period to allow for delivery of a check or wiring of funds:

- Payment 1: \$180,000 USD to be paid before November 15, 2013
- Payment 2: \$90,000 USD to be paid before November 25, 2013
- Payment 3: \$90,000 USD to be paid before December 25, 2013
- Payment 4: \$90,000 USD to be paid before January 25, 2014

A copy of the Note is attached as **Exhibit 1**.

7. The Note is secured by the accounts receivable of iCool located in Wake County, North Carolina.

8. Madan executed the Note in North Carolina on behalf of himself personally and on behalf of iCool. The Note is a joint and several obligation of iCool and Madan.

9. Defendants never made any payment on the Note.

10. Upon each missed payment, the balance owed began accruing 5% interest pursuant to the terms of the Note.

11. On September 11, 2014 and October 13, 2014, counsel for SpurTree sent letters to Defendants demanding payment of the outstanding balance of the Note. Copies of those demand letters are attached as **Exhibits 2 and 3**. The September demand letter included an admonition to Defendants that SpurTree would be entitled to recover attorneys’ fees from Defendants in any action to collect on the Note.

12. As of September 11, 2014, Defendants owed four hundred fifty thousand dollars (\$450,000.00), plus interest (at the 5% rate) of \$16,693.16. The calculations arriving at that amount of interest are shown in Exhibit B to counsel's September 11, 2014 letter to Defendants.

13. The Note contains an acceleration clause allowing SpurTree, upon a default, to declare the entire principal due and payable. That clause also provides that when it is invoked, the interest rate on the amount due changes from 5% to 18%. SpurTree, through counsel, invoked that clause in its September 11, 2014 letter to Defendants (Exhibit 2). Thus from September 11, 2014 through the date of judgment in this case, interest is accruing on the principal amount owed at the rate of 18% per annum, which equates to two hundred twenty-one dollars and ninety-two cents (\$221.92) per day.

14. Defendants have not made any payments on the Note in response to the demand letters sent by SpurTree's counsel.

15. On January 26, 2015, the same day as this complaint was filed, the undersigned counsel for SpurTree delivered, by hand delivery and by mail, an additional demand letter to Defendants. A copy of that demand letter is attached as **Exhibit 4**. In that letter, the undersigned notified Defendants -- in compliance with N.C. Gen. Stat. § 6-21.2(5) -- that if they paid the outstanding balance within five (5) days, they would not be responsible for paying SpurTree's attorneys' fees, but that if they failed to make such payment in that timeframe, SpurTree would seek to enforce Defendants' obligation to pay SpurTree's attorneys' fees in this action.

16. SpurTree has no obligation to foreclose any of its collateral before pursuing a judgment against Defendants for the balance of the Note.

CLAIM FOR RELIEF -- BREACH OF CONTRACT

17. SpurTree incorporates by reference as if fully set forth herein the allegations of the preceding paragraphs.

18. By failing to make the payments as agreed in the Note, Defendants have breached their contract with SpurTree.

19. SpurTree has been damaged by Defendants' breach of contract in the principal amount of four hundred fifty thousand dollars (\$450,000.00).

WHEREFORE, Plaintiff requests that the Court:

1. Award SpurTree the sum of four hundred fifty thousand dollars (\$450,000.00) for Defendants' breach of contract;
2. Award SpurTree prejudgment interest at the rate of 5% per annum on the principal amounts owed through September 11, 2014 and 18% per annum on the principal amount owed from September 11, 2014 until the date judgment is entered;
3. Award SpurTree post-judgment interest at the legal rate until the judgment is paid in full;
4. If Defendants did not pay the amount due within five days of the January 26, 2015 letter from SpurTree's counsel, award SpurTree, pursuant to N.C. Gen. Stat. § 6-21.2, its reasonable attorneys' fees in the amount of fifteen percent (15%) of the principal and interest owing on the Note at the time this suit was instituted, which equates to \$74,531;
5. Award SpurTree the costs of this action;

6. Hold that Defendants are jointly and severally liable for the monetary awards ordered by the Court; and
7. Award SpurTree such other and further relief as to the Court may seem just and proper.

Dated: January 26, 2015

By: /s/ John A. Zaloom
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